



Ad Val Advisor

*The Newsletter
for Wyoming
Property Tax
Appraisers*

Inside: ♦ Note from the Director ♦ State Assessed Update ♦ Third Party Products
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Ad Valorem Tax Division Newsletter

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A Note from the Director

Over the course of the past year, the Ad Valorem Division staff has dropped some subtle hints about future changes that may have to occur in Division programs, duties and responsibilities as we enter into a new era of the statewide CAMA system. In fact, the relationship between DOR and the County Assessor offices will, by necessity, change.

When I came to the department two years ago, I recognized that our Assessor Education Program had been neglected for years. I would like to breathe some life into the program and not simply offer the same repetitious course offerings. The courses offered by IAAO approved instructors are excellent, but how many times can you take the same course? I have

asked Wade and his staff to begin the development of some new courses that can supplement the existing IAAO classes. This will probably include some courses created by the State Assessed section dealing with mass appraisal of public utilities. We will be discussing these issues in more detail with the Assessor Association's Education Committee.



Of course, one can't talk about educational programs without mentioning testing and credits earned towards certification. In just about every job discipline you can name, focus has been placed on career development and meaningful measurement of job skills.

I know I don't like to take tests any more than you do, but demonstrating a reasonable amount of understanding and competence in appraisal practices helps to bolster the confidence of officials and taxpayers who tend to want to criticize the fair market value system. So, we are going to be working closely with the Association to develop a new and improved educational certification program for rollout in 2006. We welcome your suggestions!

Edmund Schmidt
Director
Department of Revenue

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Words from the Administrator

My article in this issue of the Ad Valorem Advisor is a short one. A news reporter could say that we have a lot of "developing stories" here at the Division. CAMA deployment is certainly one of those. By the next issue of this newsletter, we should be able to report on the deployment of the CCI system into the pilot counties. Right now, everyone is gearing up for that process.

One thing that I can summarize is this year's legislative session. The session was an interesting one. For the Ad Valorem Division and the Assessors, several pieces of legislation were introduced that would affect Wyoming assessment. A few of those were enacted into law. Some of the more significant: The eligibility requirements for the Property Tax Relief program were relaxed somewhat. The new forms for the program should be delivered to the counties by the time you read this. The property and vehicle tax relief program for veterans was also modified (See "Amended Veteran Exemption Statutes" on page 3). Additions to DOR's website will provide helpful information on tax relief in the coming days and weeks.

An interim study on the intangible property issue for state-assessed properties has been authorized. More detail on this is provided in Ken Urich's article below. Two "one-year" bills related to this issue were enacted, giving the DOR

direction for tax year 2005, and providing a "one-year" definition for real property.

Finally, the potential funding sanctions against "non-compliant" special districts with regard to mapping requirements was delayed until January 1, 2006, along with the adoption of some clarifying language in the statute.

If a phrase could sum up this year's legislation with regard to property assessment: Evolution, not revolution.

The old television news adage probably applies best here: "Stay tuned. We're currently working several stories." There will definitely be news of interest for everyone coming soon.

Wade W. Hall
Administrator
Ad Valorem Tax Division

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State Assessment Update

The State Assessed Property Section is starting the busy time of the year with valuations and assessments. The 2005 cycle will go into full gear on April 1st for all industries except for railroads. The assessment cycle for that industry starts on May 2nd. Some companies have been granted reporting extensions per Chapter 7 of the Department of Revenue Rules & Regulations. For the April 1st companies, there are approximately 87 companies with extensions to April 15th. For May 2nd companies, there are 3 companies with extensions to May 17th. This represents about 20 percent of all State Assessed Companies, excluding Private Rail Cars.



As with last year, the State Assessed section will be undergoing some changes with company shifts for Cayse Cummings (new staff member for 2005 handling all Telecommunications and Airlines) and Bob Cordingly (Liquid and Natural Gas Pipelines and Gas Distributions). Their learning curve will be a bit slow in the beginning, but I have no doubt they will do a tremendous job in meeting the challenges. Jim Felton will retain his current list of companies (all Electrics, Railroads, and Private Rail Cars) and as always, is doing an excellent job in appraising them.

On or about May 5th and May 26th you can expect to see the county mailings on State Assessed Land and Improvements, State Assessed Tower Sites and amenities and Wyoming Non-Capitalized Leased Land or Improvements.

One other matter that should be stressed is the Wyoming legislation that was passed this last session. Senate File 9 authorizes an interim study on intangibles in addition to clarifying a significant number of assessment issues on classifications of property, methodologies and concerns surrounding Ad Valorem taxation. At present, no calendar of activities has been set, but the indications are that the interim committee work could start as early as April. This may create some slow-downs in getting all valuations and assessments done to meet certification time periods. It will be hard to measure staff involvements as the State Assessed Property Section will be providing a great deal of historical and current policy/procedural research materials to the committee. As more information becomes available, the Department will let everyone know what the impacts will be.

Finally, on May 1st, the State Assessed Property section will commence the Wyoming Public Service Commission Uniform Assessment program for fiscal year 2005/2006. It is the responsibility of the Department to administer this

program. The State Assessed section has run it since 1992. Our section will receive revenue reports from about 460 companies subject to Public Service Commission jurisdiction. The assessment runs approximately \$3 million dollars a year, which funds the Public Service Commission's Revolving Operating Budget.

As you can see the next few months will be loaded with projects. If you have any questions or comments, please feel free to contact us. Thanks for your time.

Kenneth Uhrich
State Assessed Manager
Ad Valorem Tax Division

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News from the CAMA Front

It is fairly accurate to say that we are making significant progress with the new CAMA project. Undoubtedly, this forward momentum comes at a price. In many cases, there are some services the Ad Valorem Tax Division historically performed that have had to be delayed, or in some cases discontinued. Sometimes it's as simple as human resources. People who have been traditionally relied upon are no longer available at a moment's notice.

One thing for sure, the CAMA project is a full time job in itself. As it has all developed, this "job" has been loaded with multitudes of deadlines, myriads of small research projects, fraught with quite a few heated debates and some stress. I can honestly say that no one has been immune to it, and, from time to time, the Department, the beta counties and CCI have all endured it.

Quite honestly, I ask myself if I really expected anything different. The simple answer is: "No, not really."

On the downside of the project, we have experienced two delays in rolling out Uinta and Sweetwater counties. One week was delayed to allow the Assessors more time to finish their final values before download. The other one-week delay came from the Department to allow us a full week to review the final product before it is rolled out to the counties.



Although a little stressful for everyone, some good has come from the delay. We have been able to identify and correct several items that would have been impossible to resolve with the original timeframe.

So where are we today? A lot of progress has been made toward implementation. After the signing of the contract, we (the Department, CCI, and the Standards Committees) developed a complete set of conversion standards. This was no easy feat!

Based on the information provided, CCI has programmed a full set of conversion routines to deal with everything from residential property to mill levies. Since the conversion documents were initiated, CCI has completed four data conversions for both beta counties. The Department, Uinta and Sweetwater County have poured over those conversions extensively making corrections to data and conversion standards as we've proceeded toward the beta counties' implementation date. On the software development side of things, CCI has been busily preparing the software for delivery while still tending to the needs of their existing customer base. Other data conversion efforts also included bringing in programming expertise from the State, CCI and third party vendors to work through conversion efforts associated with sketches.

Since late fall, the Department, CCI and the beta counties have been meeting once a

week to coordinate cleanup efforts. The Department has also met at least once each week with CCI staff on planning and problem solving projects. This does not include the multitude of individual phone calls to research issues and to answer general questions. During the past few months, the Department has dedicated staff to both beta counties on data clean up issues, some of which occurred onsite in the county offices.

Through this effort, the Department and the beta counties have received training from CCI as well.



Both Uinta and Sweetwater County received a two-day introductory on-site training session. During this session, the Department assisted the counties by providing staff to help cover phones. To augment this effort, additional training was conducted through the use of online computer resources. This training helped answer questions and provided users with the basic skills required to navigate and use the RealWare product.

Since mid December 2004, both beta counties have had access to their data in RealWare through the use of an Internet-based solution that is hosted at the Department of Revenue. Despite a few logistical bumps, the counties had on-line access to the new CAMA system and were able to review the software and data conversion issues in the same environment as the Department.

CCI and the Department have performed computer reviews in both beta counties. These reviews were completed to determine what type of technology presently exists in the county offices. Also, hardware specifications have been developed, and purchasing procedures put in place for CCI and the Department. The hardware order for both beta counties was completed, and the computer workstations, servers, printers and pen pad field devices have been received.

We also introduced the project web site and developed: 1) a centralized storage area for project documents; 2) a centralized project calendar; 3) an issue tracking list; 4) and a mechanism to develop and track work orders. Using these tools, everyone involved in the process has spent a lot of time working together to resolve issues and to develop the very best Wyoming CAMA system possible.

The project team has also started working on future county implementations. The Department has already provided the first download for the counties slated next in the implementation schedule. This first tier of counties, which includes Lincoln, Sublette, Fremont and Carbon, has already received data error reports on the first data conversion. This helps provide those counties with an early start in cleaning up and dealing with data issues. As a side note, the first tier counties have had their first conversion meeting with the vendor, and more in-depth conversations will definitely follow.

Next week is an important event for everyone involved. The Department and the beta counties will be reviewing the go-live data conversion and software build. When approved, this is basically the production-ready product that will be deployed into the counties. If all goes well, plans are to deploy the application the following week with training to occur at the same time.

I am sure this is not an exhaustive list of what has been accomplished or what we are presently trying to complete. It does, however, represent the huge investment everyone has made so far in trying to accomplish our objective. I will apologize right up front for the stress we will undoubtedly encounter or cause as we proceed through each of the counties. Please accept the same apology for those convenient things that we can no longer do. We promise to continue trying to organize our time in the best way possible and to accomplish as much as we

collectively can with the resources that are available.

We are making progress, and I do believe it will be worth the price at the end!

David Chapman
Local Assessed Manager
Ad Valorem Tax Division

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Amended Veteran Exemption Statutes

As you know, two bills passed in the 2005 Legislative Session that broadens the veteran exemption qualification criteria.

House Bill 37 amended W.S. 39-13-105(b) to give veterans who have been granted unemployability status by the US Veterans Administration additional tax exemptions beyond the \$800 benefit ceiling. They join widow(er)s and disabled veterans in the group that are eligible for the extended tax breaks. Veterans with unemployability status must show documentations from the VA to qualify. This act was effective 01/01/2005.

House Bill 84 amended W.S. 39-13-105(a)(vi) to base qualification solely on awards rather than specific conflicts accompanied by specific awards. The amended law states that the award must reflect service for the US in an armed conflict in a foreign country. Since some of the medals authorized by the US Department of Defense are awarded for both combat and non-combat achievements, veterans must document (e.g. with a DD214) their deployment in a foreign country and participation in combat, to receive the exemption. In addition, military decorations can be purchased by anyone (!), so combat documentation is obviously needed



for a veteran to receive the exemption. This act was effective 01/01/2005.

The Ad Valorem Division is in the process of creating a list of qualified medals to reflect the new criteria. Once this list has been reviewed by our liaison from the Veteran Administration, it will be sent out to the Assessor's Offices and loaded to the new veteran database as well. In the meantime, please contact Geir Solvang at (307) 777-5432, or email: gsolva@state.wy.us, for questions regarding qualified medals or any other veteran exemption related issues.

Geir Solvang
Principal Appraiser
Ad Valorem Tax Division

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Quote of the Month

"It is only by doing things others have not that one can advance."

-General George S. Patton

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IAAO News

As you might have read in the "Fair & Equitable" magazine, the IAAO Headquarters move is going smoothly. The new home will be in Kansas City, Missouri starting in June 2005. A large number of IAAO Chapters and individuals have contributed to the Building Fund and the dollars keep coming in for the new facility. Overall, it will be a great cost savings to IAAO and the members. If you have any extra funds, IAAO would be glad to accept them towards the Building Fund and give you a place of recognition.

These past several months, IAAO has been blessed to have the

strong leadership of Lisa Daniels, Executive Director. She has a tremendous background in management of non-profit organizations and is doing a great job. As you know, with any transition some personnel choose not to move. One of those valued IAAO employees is Lupe Simpson. She served as Assistant Executive Director and at times Interim Executive Director. She decided to stay in Chicago and retired from IAAO on March 18th. She will be greatly missed by all. There is a new Executive Assistant, Meeting Coordinator, Librarian and new Professional Development staff that will be announced shortly. They are from the Kansas City area. The aforementioned individuals will not be going to Kansas City in June, and will be missed as they provided the organization and members with outstanding service. There is no doubt they will be remembered for their long tenure with IAAO.

Committee Work

The IAAO committees are hard at work on various projects as directed by the IAAO Executive Board or the membership for this year. A few of the most noteworthy committees and their accomplishments are summarized below.



The **Technical Standards Committee** is continuing work on several standards for review and revision. The first standard is the "Personal Property Standard". It has not been revised since 1996. A subcommittee chaired by myself, Gary McCabe, CAE, and Scott McAlpine with assistance from Lisa Hobart, ASA, PPS, are doing the revisions work. The subcommittee has had a number of conference calls on the standard. An exposure draft will be finalized at the Technical Standards Committee meeting April 14-16, 2005, in Kansas City. There have been a number of suggested changes. Some

of them are: the inclusion of more on Intangibles, applicability of Personal Property programs within CAMA or Automated Valuation Modeling Systems, depreciation/life tables and the application of all approaches to value Personal Property. Once the "exposure draft" is completed for publication, I will provide it to each assessor's office for comments.

The second standard being reworked is the "Sales Ratio Standard". A select committee of national sales ratio experts, academicians and committee members made up of Alan Dornfest, AAS, Nancy Tomberlin and Bruce Woodzell are completing an "exposure draft" on a number of issues presented by IAAO members for consideration. Some of them are: Outliers, Pseudo Sales and equalization issues, with special discussion on presumption of correctness.

Finally, the overall committee is reviewing International Issues on governance of appraisal applications as addressed by the International Valuation Standards Committee (IVSC) as adopted by 50 countries.

The **Professional Development Committee** is continuing their work on the standardization of core educational classes. Presently, they have identified 16 Core Curriculum courses totaling 395 hours that vary from 15 hours to 60 hours with most of them at 30 hours. The concept is supported by an "Education-Alliance Memorandum of Understanding with the American Society of Appraisers, National Association of Independent Fee Appraisers and IAAO. The American Institute has shown interest in joining this group and has offered the use of their courses by various means to IAAO students. Once the restructured courses have been completed, they will be put into instruction and the Core Curriculum requirements must be met by the start of 2008.

The goal is to have all of them in place sometime in 2005 for 2006-2007 presentations. Please look at the

July 2005 issue of "Fair and Equitable" for an in-depth article by Jim Todora, CAE, MAI, Chairman of the IAAO Professional Development Committee on this subject.

The **Research Committee** is going strong with the "Excellence in Assessment Administration" program. This is a program where you as an assessment jurisdiction can seek an independent review of your practices. Your jurisdiction may be awarded the above designation if you are found to be in compliance with the "Assessment Practices Self Evaluation Guide" and the grading criteria.

A number of jurisdictions around the country have signed up and completed the process and have received the award. If you do not want to complete the full award program, I would recommend that you get the "Assessment Practices Self Evaluation Guide" and conduct your own internal review of your practices.

Regarding the Accredited Member Status, I would like continue to encourage all Assessors and staff to become an "Accredited Member" of IAAO. The majority of you have completed the necessary course work and five year period of service to join. For a \$25.00 fee and completion of a short application, you can achieve this status. It is another way to enhance your professional standing with your taxpayers and associates. Go to the IAAO website for further information or contact me for applications.

Last but not least, I want to encourage you to consider going to the IAAO's 71st Annual International Conference on Assessment Administration to be held September 18-21, 2005 in Anchorage, Alaska at the Egan Civic & Convention Center. There will be five specialized educational tracts on "lots and lots of assessment topics" for everyone. Plus, Alaska is said to be very beautiful at that time of the year (50 to 60 degrees each day-no snow). Check out the full insert in the March 2005 issue of "Fair

and Equitable" for a complete program guide.

Thanks for letting me share a few of the programs and goals of IAAO and how they benefit you as a member. If you have any questions, please feel free to contact me at (307) 777-5232 or email: KUHRIC@state.wy.us

Kenneth Uhrich
State Assessed Manager
Ad Valorem Tax Division
IAAO State of Wyoming Representative

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Third Party Products

The RealWare CAMA system employs the use of third party applications, which integrate directly into the RealWare product and rounds out their software suite of applications. As part of the purchase price, the Department has included these products as part of what is being rolled out to the counties. In addition to the RealWare product, CCI is providing Wyoming the following applications:

- **SPSS** is a premier statistical software product used for data management and analysis. The Department is buying one single seat license per county, which includes the provision of ongoing maintenance. This product will be loaded on the primary "power users" workstation.
- **Apex** is an advanced sketching software that integrates directly into RealWare. The Department is purchasing up to four licenses per county. The total number of licenses provided will depend on the size of the county. Most counties can expect four single seat licenses. Again, the Department will be providing the ongoing maintenance for this software. These software licenses

will be installed on the workstations of the individuals who normally perform the sketching duties, which may include the field collection devices.

- **ArcIMS** is a high-end solution for delivering dynamic maps and GIS through the RealWare product. CCI has contracted with a company called Latitude Geographics to provide the GIS interface for RealWare. Again, this is being developed using ESRI's ArcIMS software. The Department is purchasing ArcIMS for each county as well as the Latitude Geographics interface for RealWare. As with the other third party applications, the Department will be providing the ongoing maintenance for this software. The GIS product will be available to anyone using the RealWare product.

Some County Assessor offices may wish to add additional licenses, but will need to do so under their own funding. For more information regarding these purchases, please contact David Chapman.

David Chapman
Local Assessed Manager
Ad Valorem Tax Division

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Employee Spotlight

Seeing new employees around the Local Assessed section has been a rarity the last few years. But since last December, two new members have been brought in to join our team; Brian Hall and David Ray. So, who are these gentlemen, and what face goes with what name? Read on - It's all taken care of in this bonus edition of the Employee Spotlight.



David Ray & Brian Hall

Brian Hall came on board with Ad Valorem on December 1st, 2004. He was hired as a GIS Analyst and is currently working with Bob Eicher in our mapping section.

Prior to landing the DOR position, Brian worked as a GIS Analyst for NASA on Wallops Island, Virginia. His main responsibilities there included developing, operating and updating the Geographic Information System. When asked what he likes most about his job, Brian said that the relatively new and growing technology within GIS is what keeps his work interesting.

Brian graduated from Penn State University, Pennsylvania, in 2001. He earned a Bachelor of Science degree with a major in Earth Sciences and a minor in Information Systems. He grew up in Muncy, PA, a small town in central Pennsylvania.

Outside of work, Brian spends quite a bit of time at the ice rink playing hockey games in the city league and sharpening his skills at hockey practices. He also enjoys playing golf, and straps on the skis once in a while as well. When it comes to football, Brian never misses a Philadelphia Eagles game, and watches every move they make during the off-season.

Favorite movie: Rocky

Favorite food: Steak

Our newest employee, David Ray, joined our Division on March 21st, 2005. He came in as an Appraiser and is currently working with the

Local Assessed staff on CAMA conversion and implementation issues.

Before moving in with us, David worked as an Accountant on the other side of the building in the Billing & Collection Section of the Mineral Tax Division. Prior to his employment with Minerals, he worked in our Department's Excise Tax Division. He started there in August of 2002 as a Financial Specialist and was involved in monitoring sales and use tax accounts as well as processing cigarette and estate tax returns. He moved up to Group Leader prior to joining the Mineral Division.

David hasn't spent much time in Ad Valorem yet, but he said he can already sense the dynamic nature of the business and will enjoy the problem solving challenges that lie ahead.

David graduated from the University of Wyoming in May of 2002 with a Bachelors Degree in Finance, and a Second Bachelors in Economics. He was born and raised in the great city of Cheyenne, WY.

Another tidbit about David is that he was engaged in January of this year, and will tie the knot with Sarah this summer!

On his leisure time, David enjoys playing golf and reading.

Favorite movie: Star Wars

Favorite food: Pizza

Upcoming Ad Valorem Sponsored Education

06/13/05 – 06/14/05
IAAO Workshop 151,
Uniform Standards of
Professional Appraisal Practice,
Lander, WY

07/14/05
IAAO Forum 917,
How to Critique an Appraisal,
Laramie, WY

08/22/05 – 08/26/05
IAAO Course 600,
Principles & Techniques of
Cadastral Mapping,
Thermopolis, WY

10/03/05 – 10/04/05
IAAO Workshop 163,
Marshall & Swift Cost Approach – Commercial,
Evanston, WY